

30 September 1949

MEMORANDUM FOR: Director of Central Intelligence

FROM : Assistant Director, ORE

413954

SUBJECT : IAC Cooperation with CIA.

Executive Registry

0-6719

1. Pursuant to your verbal request of this Office on 23 September 1949 the attached study is submitted herewith.

2. In analyzing the subject problem as it pertains to ORE, the difficulties surrounding IAC cooperation with CIA can be treated under three main headings as follows:

a. Departmental Policy Obstacles to Effective Cooperation with CIA, which is discussed in detail under TAB A.

b. Departmental Action Failures in Supporting CIA, which is discussed in detail under TAB B.

c. Departmental failures in the coordination of CIA reports and estimates are discussed in detail under TAB C.

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THEODORE BABBITT

ENCLOSURES

State Dept. declassification & release instructions on file

TAB

TAB A

Departmental Policy Obstacles to Effective

Cooperation with CIA

I. The National Security Council Intelligence Directives.

1. The most spectacular evidence of the lack of departmental cooperation with CIA is represented by the NSCID'S. These are cited as such evidence on the grounds that:

a. as a result of the coordination of these directives with the IAC agencies prior to NSC action they represent only those concessions to CIA that the IAC agencies were willing to make, and consequently do not provide the Director of Central Intelligence with the authority required by him to discharge the responsibilities imposed upon him.

b. by IAC insistence they contain all manner of escape clauses which vitiate Departmental responsibilities to CIA, and thereby hamper the objectives of the National Security Act of 1947 toward a fully coordinated US intelligence effort.

2. The IAC agencies, under these directives tend to utilize the Intelligence Advisory Committee as an executive rather than an advisory body to the extent that they impose upon the normal relations of the D/CI with the NSC, which he serves.

3. NSCID'S #1, 2, and 3, of particular concern to ORE, are cited as cases in point with respect to the foregoing.

II. Departmental Intelligence Policies.

1. There is a tendency for departmental policy, rather than objective analysis, to be the determining factor in IAC dissents to CIA Intelligence Estimates. This also is a strong limitation on the support that CIA can expect from the Departments in the formulation of estimates. The interests of the national security cannot be served in any sense by intelligence that has been altered to conform to existing policy. On the contrary it is a function of intelligence to challenge the assumptions upon which policy has been based whenever the facts support such action. The influence of policy-making echelons is particularly notable in the case of the Department of State, which has established procedures providing for the clearance of intelligence reports with the policy desks before submission to CIA. The description of this system is quoted in Case #1 (under TAB A). For examples of the effect of this policy control over departmental intelligence, see TAB C, particularly cases 11 through 15.

2. OCD has previously presented evidence to the DCI concerning policies of the Intelligence Division of the Army that obstructed the support rendered by that agency to CIA. This situation is of such importance to ORE that concurrence and support to the OCD position by this Office should be made a matter of record. The OCD evidence is presented as Case #2 (under TAB A).

3. Liaison Policies: The liaison policy of the Department of the Army, included in the referenced Case #2, TAB A, is similar to liaison policies of the other departments. The net effect of such policies is a restriction upon CIA in access to individuals outside the intelligence agencies of the Departments, and to so-called "operational data" not normally available to the departmental intelligence agencies, but of great value for intelligence purposes.

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## CASE #1

The following is an excerpt from the report of the Steering Committee of the Department of State Reorganization Task Force #2 guiding the new organization of the State Department Intelligence Operation.

"(b) Submission of Intelligence Estimates to the Top Command

As part of its recommendation for the reorganization and reorientation of the intelligence effort, the Hoover Commission Report stated that the intelligence unit "should be a device by which the Secretary and Under Secretary can obtain expert evaluations and check on information coming from the action units." The Steering Committee has given a great deal of attention to this problem. It has concluded that R should supply intelligence estimates to the Secretary, Under Secretary and Policy Planning Staff without review by other offices when so requested. In such cases interested offices would be provided with copies of such documents for post-audit. In all other cases, intelligence papers produced in R for the top command should be reviewed by the appropriate regional or Functional Office prior to submission. In the event of disagreement, the reviewing area should be given an opportunity to append its dissent. The Steering Committee believes that this procedure protects the ability of the research and intelligence organization to produce independent estimates. At the same time a sound relationship between the research-intelligence organization and other parts of the Department can be maintained."

"(c) Dissemination Outside the Department of Intelligence Reports and Estimates

The Steering Committee has, after thorough consideration, concluded that in order that the Department may speak at all times with a consistent voice in its relationships with other agencies, the research and intelligence reports and estimates must be reviewed by the appropriate action office before they are distributed to other agencies. The Committee believes that the review procedure it has recommended gives R the opportunity to express its independent judgement in such reports and estimates, and does not preclude the Department from fulfilling its responsibilities to the National Security Council and the Central Intelligence Agency. (There follows a dissent by Mr. Howe to this conclusion.)"

"Dissent by Mr. Howe

Mr. Howe dissents from the conclusion and recommendation requiring review of all estimates going outside the Department. According to this procedure the research-intelligence organization would find itself in a dilemma wherein, as the Steering Committee indicates, it must join with the rest of the Department in speaking with a consistent voice outside

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the Department and yet, by directive of the National Security Council in establishing coordination for the intelligence agencies, it is obligated to produce estimates based on intelligence factors which therefore might not be consistent with existing policy, including departmental policy. These coordinated national estimates are for the use of the several Departments and for the National Security Council. Mr. Howe believes that R would prefer and expect its contributions generally to reflect the views of and the information available in, the action offices, and it would endeavor, as it has in the past, to achieve this end. Nevertheless, he believes this should not be made mandatory because the other intelligence agencies, finding the Department's intelligence organization estopped from submitting estimates independent of existing policy considerations, would tend to replace the Department's contribution by their own, thus destroying the foundation for coordinated national estimates. Such a situation would not be in the best interests of the Department and further would tend to encourage the development of competitive intelligence production concerned with foreign policy with which the Department would have to deal."

"Mr. Howe recommends therefore that R be responsible for obtaining the advice of the appropriate action office before dissemination outside the Department. "

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CASE # 2

Reference is made to the memorandum to the DCI from the AD/OCD dated 9 March 1949, subject: Coordination with Intelligence Division, GSUSA.

This memorandum documents at length obstructive attitudes prevailing among working-level personnel in the Intelligence Division. ORE takes this opportunity to underline the OCD findings in this case.